

## Puget Sound Energy Makes it Easy For Customers to Pay

*Major utility uses Varolii Payment Processing™ to collect more money, enroll customers in auto-pay and control costs*



### **Simplifying the payment process for customers can offer significant rewards.**

Making it as fast and simple as possible for customers to pay not only means collecting more money – it also means providing a better overall customer experience.

With this in mind, Puget Sound Energy (PSE), Washington state's largest and oldest energy utility, has innovated a range of strategies that simplify the payment process for more than one million electric power customers and approximately 725,000 natural gas customers. And, with their focus on cost containment, these strategies also provide PSE with a low cost to collect.

Since 2002, PSE has worked with Varolii® to not only cost effectively reach their customers with its automated suite of outbound collections applications, but also make it as easy as possible for their customers to pay their bills and, to collect from those customers who may be in arrears, once they have reached them. With Varolii Payment Processing, a fully-integrated and hosted payment solution, PSE offers customers a wider range of easy-to-use payment options along with a simple, straight-line path for customers to enroll in their automatic payment programs.

### **Making it Easy to Pay While Controlling Costs**

PSE offers a wide selection of payment choices that give customers a range of both payment methods and payment channels. While continuing to offer traditional payment methods, such as mailing a check or calling a customer service agent and providing a charge card number; today, PSE also offers customers the ability to make payments on their Web site or by calling in to their Interactive Voice Response (IVR) system.

For payments in response to Varolii's outbound collections calls, PSE uses an enhanced version of Payment Processing software that can accept the broadest range of payments, from credit and debit cards to ACH (also known as an electronic check).

### **Pinless Debit Grants More Options, Cuts Costs**

PSE partners with Varolii to provide a newer form of payment acceptance – the so-called “Pinless Debit”. This method costs PSE less in fees than a credit card or signature debit transaction, while still providing a real-time guarantee of funds and giving customers another payment option. This capability fits in with PSE's goal of making it easy for customers to pay with payment methods that offer a low cost to collect.

### CLIENT



### CHALLENGE

Build on existing successes in automated bill pay by adding new payment methods and innovating simpler ways for customers to pay, while reducing merchant transaction costs.

### SOLUTION

Incorporate Varolii Payment Processing into their collections mix; using outbound notifications to encourage customers to sign up for automated payment plans with their existing credit / debit cards.

### RESULTS

- Increased payments from 20,000 payments a month in 2002 to over 60,000 payments a month through Varolii's outbound communications.
- Increased consumer acceptance of Pinless Debit, while lowering PSE's cost to collect.
- Increased customer experience; PSE's internal measures found Varolii automated communications help mitigate “social bias” (discomfort in talking with other people about overdue bills) factor.

A fully integrated and hosted payment solution, offering customers a wide range of payment options along with a simple, straight-line path to enroll in automatic payment programs.

**Already Ahead: Integration Initiatives to Keep Getting Better**

Offering a wide range of automated payment options is a key first step. PSE has also taken the next step by integrating their automated payment options into their ongoing business operations. Integration initiatives include:

- **Treatment Integration:** Viewing payment processing as a key component of the customer service and collections operations helps PSE make it easier for more customers to pay.
- **Self-Service Options:** Adding an option at the end of each interactive payment authorization that asks the customer if they would like to enroll in PSE's Auto Pay program.
- **Knowledge:** Training and equipping their CSR's to be able to handle customer questions about their automated payment options.

**Outbound Payment Collections: A Comparison**

There are several ways to capture payments automatically from outbound communications. The table below describes the three primary methods and compares their efficiency.

	E-Payment	Pros	Cons
<b>Good</b>	IVR Transfer	Leverages your existing payment IVR	<ul style="list-style-type: none"> <li>• High support burden</li> <li>• Potentially confusing customer experience</li> </ul>
<b>Better</b>	Payment Capture	Low implementation cost	<ul style="list-style-type: none"> <li>• Not real-time</li> <li>• File transfers require support</li> </ul>
<b>Best</b>	Integrated Payment Processing	<ul style="list-style-type: none"> <li>• No transfer saves time and confusion</li> <li>• Real-time processing</li> <li>• Varolii reports show true # payments made</li> <li>• Extensive real-time and historical reporting thru Client Console</li> </ul>	

**ABOUT VAROLII**

Varolii® provides on-demand communication software and services that enable organizations to more effectively reach and interact with their customers and employees, getting the best result from every interaction.

[www.Varolii.com](http://www.Varolii.com)

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